

[DE] New Cinemas' Eligibility for Support

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On 28 October 2009, the *Bundesverwaltungsgericht* (Federal Administrative Court - BVerwG) decided that financial aid for the construction of new cinemas should not be granted if there is a danger of existing cinemas being forced to close as a result.

In the underlying case, the plaintiff, a cinema firm, had applied to the *Filmförderungsanstalt* (Film Support Office - FFA) for financial assistance with the construction of two new multiplex cinemas in different locations in accordance with Art. 56 para. 1 no. 1 of the *Filmförderungsgesetz* (Film Support Act - FFG). Support may be granted on condition that the planned building project would produce a structural improvement in the location concerned. Such a structural improvement might be possible, for example, if there was a shortage of cinemas in the area concerned.

However, the BVerwG shared the view of the courts of lower instance that this condition was not met. In this case, there was no discernible shortage of cinemas. Moreover, it was possible that the new cinemas might have a detrimental impact on ticket sales in existing cinemas in the area, which might be forced out of business as a result. It ruled that the FFA's decision to reject the application for support was legitimate.

Pressemitteilung des BVerwG zu den Urteilen vom 28. Oktober 2009 (Az: 6 C 31.08 und 6 C 32.08)

http://www.bverwg.de/enid/3dfd2e3fd10fb7100ed7e544bd7538bf,44d8f17365617263685f646973706c6179436f6e7461696e6572092d093132343432093a095f7472636964092d09353737/Pressemitteilungen/Pressemitteilungen_9d.html

Press release of the Federal Administrative Court on the rulings of 28 October 2009 (case nos. 6 C 31.08 and 6 C 32.08)

